

**EXHIBIT "A"**

THIS NOTE AMENDS AND RESTATES IN THEIR ENTIRETY, AND IS GIVEN IN SUBSTITUTION FOR, THE NOTES DESCRIBED IN THE EXHIBIT A, OF THE NY CONSOLIDATION, EXTENSION AND MODIFICATION AGREEMENT DATED THE SAME DATE AS THIS NOTE."

**FIXED/ADJUSTABLE RATE NOTE**  
**INTEREST ONLY FOR 10 YEARS**  
**(LIBOR Index - Rate Caps)**

THIS NOTE PROVIDES FOR A CHANGE IN MY FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE AMOUNT MY ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

BORROWER WILL MAKE MONTHLY PAYMENTS OF INTEREST ONLY FOR THE FIRST 120 MONTHS. (THE AMOUNT OF SUCH PAYMENTS IS SUBJECT TO CHANGE DUE TO THE FACT THAT THE INTEREST RATE WILL BECOME AN ADJUSTABLE INTEREST RATE IN ACCORDANCE WITH SECTION 4 BELOW.) BEGINNING WITH THE 121<sup>ST</sup> PAYMENT, BORROWER WILL BE REQUIRED TO MAKE MONTHLY PRINCIPAL AND INTEREST PAYMENTS IN AN AMOUNT SUFFICIENT TO FULLY AMORTIZE THE UNPAID PRINCIPAL BALANCE AT THE MATURITY DATE.

AUGUST 2, 2005  
[Date]

VALHALLA  
[City]

NEW YORK  
[State]

115 BADEN PLACE, STATEN ISLAND, NEW YORK 10306  
[Property Address]

**1. BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$ 442,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is COLUMBIA HOME LOANS, LLC

I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid principal until the full amount of Principal has been paid. My initial interest rate will be 5.375 %. The interest rate I will pay may change in accordance with Section 4 of this Note.

The interest rate required by Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will make payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on SEPTEMBER 1, 2035, I still owe amounts under this Note, I will pay those amounts in full on that date which is called the "Maturity Date."

I will make my monthly payments at 400 COLUMBUS AVENUE, VALHALLA, NEW YORK 10595

or at a different place if required by the Note Holder.

**(B) Initial Monthly Payments of Interest Only**

Beginning on OCTOBER 1, 2005, I will make 120 monthly payments of interest only (the "Interest-Only Period") on the unpaid balance of the Note. Until I make a Partial Prepayment or the interest rate adjusts as set forth herein, my payment shall be \$ 1,979.79

**(C) Subsequent Monthly Payments of Principal and Interest**

Beginning on OCTOBER 1, 2015, I will be required to make monthly payments of principal and interest (the "Principal and Interest Period") in an amount sufficient to fully amortize the unpaid principal balance of the Note by the Maturity Date. The amount of my monthly payment may change every twelve (12) months based on changes on the unpaid balance and the current interest rate as determined under Section 4 of this Note.

**4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Dates**

The initial fixed interest rate I will pay will change to an adjustable interest rate on the 1st day of SEPTEMBER 2010 and on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my adjustable interest rate will be based on an Index. The "Index" is the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO AND 500/1000 percentage points (2.500 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125 %). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

During the Principal and Interest Period, as set forth in Section 3(C) above, on the first day of the month following a Change Date, the Note Holder will determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 7.375 % or less than 3.375 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than TWO AND 000/1000 percentage points from the rate of interest I have been paying for the preceding twelve months. My interest rate will never be greater than 11.375 %.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my initial fixed interest rate to an adjustable rate and of any changes in my adjustable interest rate before the effective date of any change. The notice will include the amount of my monthly payment, any information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

## 5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all of the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying any Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. Any Partial Prepayment made during the Interest-Only Period set forth in Section 3(B) above will reduce the amount of my monthly payments. Any Partial Prepayment made during the Principal and Interest Period set forth in Section 3(C) above may reduce the amount of my monthly payments after the first Change Date following my Partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

## 6. LOAN CHARGES

If a law which applies to this loan and which sets maximum loan charges is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## 7. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of **FIFTEEN** ( 15 ) calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 2,000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal that has not been paid and all the interest that I owe on that amount. That date must be at least thirty (30) days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver by Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. These expenses include, for example, reasonable attorneys' fees.

## 8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given notice of that different address.

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.



If Lender exercises this option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

I. Khutoreskaya (Seal)  
IRINA KHUTORESKAYA  
et x IK -Borrower

\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_ (Seal)  
Borrower

\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_ (Seal)  
-Borrower

## ALLONGE TO NOTE

NOTE AMOUNT: \$442,000.00

BORROWER NAME (S): Irina Khutoretskaya

PROPERTY ADDRESS: 115 BADEN PLACE, STATEN ISLAND, NY 10306


NOTE DATE: August 02, 2005

PAY TO THE ORDER OF:

**OCEANFIRST BANK N.A.**

WITHOUT RECOURSE

**COLUMBIA HOME LOANS LLC**

By:  \_\_\_\_\_

Name: Christine Schiess

Title: Assistant Secretary

Custodian of Land Records

## ALLONGE TO NOTE

NOTE AMOUNT: \$442,000.00

BORROWER NAME (S): Irina Khutoretskaya

PROPERTY ADDRESS: 115 BADEN PLACE, STATEN ISLAND, NY 10306

NOTE DATE: August 02, 2005

PAY TO THE ORDER OF:

WITHOUT RECOURSE

OCEANFIRST BANK N.A.

By: \_\_\_\_\_



Name: Christine Schiess

Title: Vice President